



Department of Veterans Affairs

Financial Policy

Volume III

Miscellaneous Accounting Topics

Chapter 1

Transit Benefit Program

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0101 Overview

This chapter establishes the Department of Veterans Affairs' (VA) financial policies and procedures relating to VA's nationwide Transit Benefit Program (TBP). As a part of a national initiative to improve air quality and to reduce noise and traffic congestion in metropolitan areas, the Federal Employees Clean Air Incentives Act of 1993 (5 U.S.C. 7905) authorized each Federal agency to establish a program to encourage Federal employees to participate in the TBP. Executive Order 13150, Federal Workforce Transportation, sought to reduce Federal employees' contribution to traffic congestion and air pollution.

Key points covered in this chapter:

- VA will provide a Transit Benefit subsidy or self-certification reimbursement to employees if public transit is used to commute to the workplace;
- Transit benefit subsidies are excluded from wages up to a maximum amount set by the IRS and are not reported on the employee Leave and Earnings Statement or W-2;
- VA will not grant retroactive reimbursement for TBP expenses paid prior to applying for the transit benefit program or for expenses more than three months in arrears from the date of program acceptance; and
- VA employees participating in TBP will return unused fare media to their Transit Manager upon termination of VA employment.

0102 Revisions

Section	Revision	Office	Reason for Change	Effective Date
Various	Reformatted to new policy format and completed a five-year update	OFP (047G)	Reorganized chapter layout and updated policy guidance	December 2021
Various	Deleted all references to Transit Bicycle Benefits Program	OFP (047G)	VA processing of Bicycle Benefit Program has been suspended per IRS Code	December 2021
0104 Roles and Responsibilities	Updated this section to reflect current Roles and Responsibilities associated with this benefit program.	OFP (047G)	General Update	December 2021

Section	Revision	Office	Reason for Change	Effective Date
010502 Transit Benefit Distributions	New Section. Provides information and various forms of benefit distribution to participants.	OFP (047G)	Process clarification	December 2021
010503 Transit Benefit Billing Process	New Section. Provides information on current billing for the benefit.	OFP (047G)	Process clarification	December 2021
010506 Transit Benefit Reconciliation	New Section.	OFP (047G)	Clarify reconciliation process	December 2021
Appendix A	Moved previous section 0102 Revisions to this appendix	OFP (047G)	General update	December 2021
Appendices	Moved Appendix A to Appendix B; and Appendix B moved to C	OFP (047G)	General update	December 2021
Appendix C	Revised appendix to include HR Smart instructions	OFP (047G)	General Update	December 2021
Appendix D	Moved accounting procedure information from policy to new Appendix D	OFP (047G)	General update	December 2021

Refer to Appendix A, Revision History for a listing of previous changes.

0103 Definitions

Budget Object Class (BOC) Code – Categories in a classification system that present obligations by the items or services purchased by the Federal Government.

Daily Commute to and/or from Duty Station – Using some form of mass transportation from an employee's residence when commuting to and from work, or, commuting one way, to or from work.

Direct Subsidy – Direct Subsidy refers to fare distribution to the VA employee residing within the National Capital Region (NCR), prior to the beginning of the period the distributed benefit begins.

Fare Media – Any transit pass, token, fare card, voucher, or similar item (including an item that can be exchanged for mass transit use) that entitles a person to public transportation.

Field Subsidy – Fare distribution to the VA employee, residing outside of the NCR boundaries, prior to the beginning of the period the distributed benefit begins.

Mass Transportation – Any form of public transportation operated for use by the public (e.g., buses, subways, ferries, commuter buses, trains, and qualified vanpools).

National Capital Region (NCR) – As defined in VA Handbook 0633, The District of Columbia; Montgomery, Prince George's and Frederick counties in Maryland; Arlington, Fairfax, Loudon and Prince William counties in Virginia.

Qualified VA Employee – As defined by section 2105 of title 5, United States Code. Individuals formally appointed to positions under title 5 or title 38 authorities. Qualifying VA employees may have regular or intermittent tours of duty, be full-time or part time, be on permanent or temporary appointments, provided they are formally appointed to the position and are paid by VA.

Transit Benefit Program (TBP) – This program provides a non-taxable subsidy designed to encourage Federal employees to commute daily via mass transit to and/or from work. Qualified employees participating in the program are required to calculate the cost of their daily commute. Parking fees are not eligible for the transit benefit and should not be included when computing daily, weekly, or monthly commuting costs.

0104 Roles and Responsibilities

Under Secretaries, Assistant Secretaries, Chief Financial Officers, Fiscal Officers, Chief Accountants and Other Key Officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

Office of Revolving Fund (ORF) Reimbursement Office is responsible for processing cost transfers to realign Washington Metro Area Transit Authority (WMATA) invoice payments to appropriate offices receiving transit benefits.

Financial Services Center (FSC) is responsible for processing Intra-Governmental Payment and Collection (IPAC) billings from Health and Human Services (HHS).

Transit Benefit Program Office (TBP Office) is an office within Office of Human Resources and Administration (HRA), Office of Administration (O/A) that has the lead

responsibility for coordinating the overall TBP and serves as liaison with Department of Health and Human Services (HHS) and Washington Metro Area Transit Authority (WMATA) for VA's Nationwide Transit Benefit Program.

VA Central Office (VACO) organizational transit managers have the overall organizational responsibility for their respective administration to provide operational procedures and oversees transit programs at field facilities, and in the NCR for their VACO organization.

Field transit managers oversee program administration and benefits distribution at their field stations for the TBP at the direction of, and under the procedures established by, the facility director. These managers may distribute fare media directly to employees or delegate the media distribution to appropriate VA offices. Field transit managers will review and submit transit applications through VACO's organizational transit managers.

Administration and Staff Office budget officers are responsible for overseeing the TBP billing, TBP self-certification, and reimbursements for their organizations and field facilities.

Employees participating in the TBP are responsible for completing the required documentation, submitting supporting documentation for reimbursements (as required), and ensuring they are meeting the requirements as established in VA Directive/Handbooks 0633, Transit Benefit Program.

0105 Policies

010501 General Policies

- A. VA will provide transit benefits to its employees to encourage the use of public mass transportation in their daily commute to and/or from their duty station to reduce traffic congestion and air pollution.
- B. VA employees may receive transit benefits or be reimbursed for transit costs up to the maximum subsidy amount allowed. Benefits / reimbursement is dependent upon the type of transit media fare and mode of transportation used by the VA Employee.
- C. Transit benefit subsidies are excluded from wages up to a maximum amount set by the IRS and are not reported on the employee Leave and Earnings Statement or W-2.
- D. VA's TBP office has entered into and maintains an interagency agreement with HHS to provide transit benefits for employees outside the NCR.

- E. VA's TBP office has entered into and maintains a contract with WMATA to provide transit benefits for employees within NCR.
- F. Retroactive reimbursement will not be granted for TBP expenses paid by the employee prior to applying for transit benefits or for expenses more than three months in arrears from the date of program acceptance.
- G. Section 11047 of P.L. 115-97 suspends the exclusion of qualified bicycle commuting reimbursements from an employee's income for any tax year beginning after 2017 and before 2026. As such, VA's TBP office suspended processing of the previously offered bicycle commuting benefits.

010502 Transit Benefit Application Process

- A. The amount of TBP subsidy a qualified VA employee may receive is based on the employee's actual monthly public transit commuting costs incurred. Refer to VA Directive and Handbook, 0633, Transit Benefit Program, for detailed information on eligibility/ineligibility, requirements, and participation.
- B. VA employees interested in receiving a transit benefit must complete a transit benefit application. The type of application completed will be based upon the employees location, see below:
 - 1. Employees within the NCR, will utilize the VACO TBP web-based application for all enrollments, recertifications, changes, and withdrawals. VA Form 0722 requirements are incorporated into the web-based application.
 - 2. Employees outside the National Capital Region (NCR), must complete, sign and forward VA Form 0722, Application for Public Transit Fare Benefit, to their transit manager to be considered for participation in the TBP. VA Form 0722 contains a certification statement and becomes the employee's contract with the Federal Government.
- C. New applications, changes in transit benefits, (with the exception of organizational changes) and withdrawals from the program must be entered into VA's HR Smart system. Field transit managers must provide the employee's payroll office with a copy of VA Form 0722 for entry into HR Smart. Upon receipt of a properly certified VA Form 0722, local payroll offices will enter transit information into HR Smart. Although details of the participants' benefits are entered into HR Smart, there is no effect on payroll. Refer to Appendix C, Coding instructions for HR Smart.

NCR employees that utilize the VACO TBP web-based application do not need to send information to payroll offices as this information is sent electronically.

- D. Field transit managers are required to keep paper copies of qualified VA employee approved VA 0722 forms at their locations. VA's TBP office will maintain a master list of TBP participants, including information from properly certified VA Form 0722s.

010503 Transit Benefit Distributions

- A. Transit benefits will be distributed if it is available in the employee's area and the monthly benefit cost can be accurately estimated. In cases where fare media is being distributed, transit subsidies may only be issued during or in advance of the allocated month(s). Fare media will not be distributed to transit participants once the allocated month has passed.
- B. Transit Benefits will be provided to qualified participants via direct subsidy, field subsidy, or self-certification reimbursement.
1. Direct Subsidy for employees within the NCR boundaries. VA's TBP will provide a direct subsidy, for employees who provide commuting expense estimates. The amount provided will not exceed the maximum amounts allowed by statutory authorities.
 - a. Employees will receive a direct subsidy benefit distribution in the amount estimated via the VACO TBP web-based application.
 - b. Direct subsidy distributions are made via SmarTrip card within the NCR area. Eligible VA employees may receive the lesser of their monthly commuting cost or the maximum amount allowable by the Internal Revenue Service (IRS).
 - c. All estimates will be adjusted to account for any anticipated days without commuting costs.
 2. Field Subsidy for employees outside the NCR boundary. VA's TBP will provide a field subsidy, for employees who provide estimates based on past commuter costs up to the maximum amounts allowed by statutory authorities.
 - a. Employees will receive a field subsidy benefit distribution in the amount estimated on VA Form 0722.
 - b. Field subsidy distributions are made when possible using a Go!Card outside the NCR. Paper vouchers may be issued only when transit companies do not accept Go!Card transactions. Eligible VA employees may receive the lesser of their monthly commuting cost or the maximum amount allowable by the Internal Revenue Service (IRS).

- c. Estimates will be adjusted to account for any anticipated days without commuting costs.
- 3. Self-certification reimbursement for employees outside the NCR where fare media (e.g., fare media, paper vouchers, Go!Card, etc.) is not available.
 - a. VA's TBP will reimburse employees for commuting costs for qualified modes of transportation.
 - b. Eligible VA employees may receive the lesser of their monthly commuting cost or the maximum amount allowable by the Internal Revenue Service (IRS).
 - c. Monthly submission of a Self-Certification reimbursement form (VA Form 0724a), along with any supporting documents.
- 4. Monthly, VA's TBP office will provide HHS and WMATA with TBP participants estimated transit cost data. HHS and WMATA use the estimated cost data to distribute transit benefits to the program participants. The estimated cost data is updated each month based on actual costs incurred.

010504 Program Separation Requirements

- A. Employees in the NCR who wish to terminate participation in the TBP will utilize the VACO TBP web-based application to withdrawal from the program.
- B. Employees outside the NCR who wish to terminate participation in the TBP will complete VA Form 0722, indicating a withdrawal, and submit the form to the Transit Manager.
- C. Employees are required to complete VA Form 3248, Employee's Clearance from Indebtedness, prior to separation to identify and document any open benefit amounts outstanding.
- D. When an employee does not properly withdraw from the TBP and continues to utilize transit benefit amounts loaded to his or her card, VA's Transit Benefit office will initiate debt collection activities, to recover the debt. Refer to VA Handbook 0633, Transit Benefit Program, and VA policy Volume XII, Debt Management, for debt collection requirements.

010505 Transit Benefit Billing Process

- A. VA will receive invoices for transit benefits in different ways depending upon which organization provided the benefits. Specifically, if the benefits were provided by HHS, an IPAC transaction will be processed by FSC and if the benefits were provided by WMATA an invoice will be submitted through the Invoice Payment Processing System (IPPS) for payment. Details regarding the different processes are described below:
1. HHS provides the actual cost incurred at the close of each month to VA's TBP office and FSC to support the IPAC billing submission.
 - a. If discrepancies exist between the billing statement and prerecorded obligations, VA's TBP office will work with Field transit managers to identify the discrepancy and make corrections.
 - b. FSC will record expenses against the appropriate obligations based on actual cost incurred.
 2. WMATA provides the actual cost incurred to VA's TBP office to support IPPS billing.
 - a. If discrepancies exist between the billing statement and estimated cost data, VA's TBP office will work with the VACO transit managers to identify the discrepancy and correct the issue.
 - b. When VA's TBP office receives the IPPS bill from WMATA, they will reconcile the estimated costs with the actual costs incurred and certify the invoice for payment.
 - c. VA's TBP office will provide the actual cost data to Office of Revolving Fund (ORF) Reimbursement Office to support cost transfers to the appropriate NCR office for the employee receiving the benefit.
 3. Employees eligible to receive transit benefits for qualified modes of transportation, but where transit fare media is not available, may request a reimbursement of transit benefit expenses through the self-certification reimbursement process.
 - a. To receive reimbursement, the participant will provide copies of their actual commuting expenses for the prior period along with a completed VA Form 0724a, Transit Benefit Self-Certification Form as proof of their monthly mass transit expenses to the respective transit manager or field transit manager.
 - b. By signing the self-certification reimbursement form, the participant is certifying that:

- A qualified mode of mass transportation (i.e., buses, subways, ferries, commuter buses, trains, and qualified van pools) is being used for transportation to and/or from work site;
 - No other reimbursement was received that would negate reimbursement of the benefit. For example, the employee is named on a worksite parking permit when receiving transit benefits; and
 - The amount claimed does not exceed their monthly or maximum limits.
- B. VA's TBP office will provide the monthly ridership numbers and cost data to Office of Revolving Fund (ORF) Reimbursement Office to collect costs from each NCR organization whose employees had received benefits during that period.

010506 Transit Benefit Reconciliations

- A. VA's TBP office will reconcile actual commuter amounts, estimated costs and distributed media.
- B. VACO and Field transit managers will ensure VA employees update their transit benefit application to change their transit benefit estimates to reflect actual usage.
- C. VACO and Field transit managers will report any long-term change in a commuting cost estimates to their respective finance office (e.g., VACO budget office, chief of local finance office or designee, etc.) for budget planning.
- D. VACO and Field transit managers will send billing related disputes to VA's TBP office for investigation and resolution. If necessary, VA's TBP office will work with HHS and WMATA to resolve the dispute.

010507 Internal Controls for Program Administration

- A. VA organizations and stations will implement an effective system of internal controls over TBP activities to safeguard against fraud, waste, abuse, mismanagement, or misappropriation of Government funds.
- B. The TBP office and FSC will follow procedures established in VA Directive 0633, Transit Benefit Program, designed to achieve the objectives of VA's internal control processes and procedures.
- C. Annually, the management of VA's TBP will conduct a review to verify that controls are in place to ensure that:
1. Recording and accounting of expenditures are proper;
 2. Employees receiving benefits are indeed eligible to receive benefits;

3. Monthly transit benefit to a participant does not exceed the authorized maximum or the monthly tax-excludable benefit under IRS regulations;
4. Participants leaving VA or Federal service do not continue receiving benefits; and
5. Amounts billed are accurate and proper.

0106 Authorities and References

[5 U.S.C. 7905, Programs to Encourage Commuting by Means other than Single-Occupancy Motor Vehicles - Federal Employees Clean Air Incentives Act of 1993 \(Public Law 103-72\)](#)

[26 U.S.C. 132\(f\), Qualified Transportation Fringe \(IRS\)](#)

[26 C.F.R. Part 1, Section 1.132-9, Qualified Transportation Fringes - Items Specifically Excluded From Gross Income](#)

[Executive Order No. 13150, Federal Workforce Transportation](#)

[IRS Publication 15-B, Employer's Tax Guide to Fringe Benefits \(2010\)](#)

[VACO Transit Benefit Program Web-based Application](#)

[VA Directive and Handbook 0633, Transit Benefit Program](#)

[VA Internal Forms](#)

0107 Rescissions

VA Financial Policy Volume III Chapter 1, Transit Benefit and Bicycle Benefit Programs, October 2012.

0108 Questions

Questions concerning these financial policies should be directed as follows:

VHA	<u>VHA 10A3A Accounting Policy</u> (Outlook)
VBA	<u>VAVBAWAS/CO/FINREP</u> (Outlook)
All Others	<u>OFP Accounting Policy</u> (Outlook)

Appendix A: Revision History

Section	Revision	Office	Effective Date
Overall	Added Transit Benefit Bicycle Program in accordance with VA Directive/Handbook 0634	APPS (047GA)	October 2012
0101 Overview	Deleted duplicate information in 010101 and 010102; contained in 010201 and 010202	APPS (047GA)	October 2012
010203 Program Reimbursements	Expanded to include TBP – Self Certification and bicycle benefits	APPS (047GA)	October 2012
010206 Program Separation Requirements	Deleted information related to returning unused fare; referenced VA Handbook 0633 and Volume XII Debt Management chapters.	APPS (047GA)	October 2012
010503 Program Reimbursements	Expanded to include all reimbursements	APPS (047GA)	October 2012
010205 / 010505 Accounting Procedures	Non-VHA revised to VBA, NCA, and staff offices. VHA, VBA, NCA, and staff offices requirements revised to separate sub sections in 010505	APPS (047GA)	October 2012
0106 Definitions	Added definitions related to bicycle benefit	APPS (047GA)	October 2012
Appendix A	Expanded to include bicycle benefits	APPS (047GA)	October 2012
Appendix B	Inserted introduction paragraph	APPS (047GA)	October 2012

Appendix B: Transit Benefit Self-Certification Reimbursements Procedures

- A. VA Form 0724a, Transit Benefit Self-Certification Form will be completed monthly by the employee and forwarded to the field transit manager for authorization, along with the supporting receipts.
- B. Self-certifying employees will note their FMS Vendor ID on VA Form 0724a, along with the obligation number, organizational code, and station number. The Vendor ID is required to be annotated on each reimbursement claim. Reimbursements will not be made without an FMS Vendor ID.
 - 1. If the employee does not have an FMS Vendor ID, the employee will need to contact their respective finance activity to have an FMS Vendor ID established. The FMS Vendor ID used for travel reimbursement may be used for transit reimbursement.
 - 2. Employees should be reminded to update their FMS Vendor Record when there is a change in their financial information.
- C. The applicable Chief of local finance office, designee or other staff office budget officer may provide the current obligation number, as these numbers change each fiscal year. Organization codes are found in VA Handbook 0633, Transit Benefit Program, or on VA Forms.
- D. For VHA facilities, the field transit manager will give VA Form 0724a to the appropriate field transit manager to be put on a roster and sent in for processing to the local fiscal office. The field transit manager will maintain and provide the local fiscal office with a list of certifying officials authorized to approve transit benefit reimbursements.
- E. For Non-VHA offices, the field transit manager will fax VA Form 0724a to FSC's Financial Operations Service (payables line) at (512) 460-5540. Non-VHA office VACO transit managers will fax a list of certifying officials by station number to FSC. If individuals have additional questions and would like to speak with an FSC representative, please call (512) 460-5544.
- F. Reimbursements will be paid to the employee via EFT upon submission of the self-certification form. VA will typically not reimburse participants for expenses beyond 90 days of the month incurred.
- G. Reimbursements for Veteran Canteen Service (VCS) self-certifiers will be paid out of the VCS appropriation. Each facility is responsible for billing the VCS for those employees via the Intra-Governmental Payment and Collection (IPAC) system. IPAC instructions and forms may be obtained by calling FSC at (512) 460-5111.

Appendix C: Coding Instructions for HR Smart

Prior to participation in the public transit benefit, VA employees will complete VA Form 0722, Application for Public Transit Fare Benefit. VACO employees seeking to apply for transit benefits will utilize the VACO TBP web-based application. The transit manager must provide the employee's payroll office with a copy of VA Form 0722 for entry into HR Smart. Upon receipt of a properly certified VA Form 0722, local payroll offices will enter transit information into HR Smart.

A. Transit Codes. All transit benefit codes will begin with T. The second character in the Deduction Code is the Fringe Indicator.

1. Direct Subsidy – Used for employees within the National Capital Region, i.e., DC Metropolitan Area
2. Field Subsidy – Used for employees outside of the National Capital Region. The third character in the Deduction Code is the Transportation Mode.

3. Deduction Codes

T11 1-Bus - Direct Subsidy	T31 1-Bus- Field Subsidy
T12 2-Light Rail - Direct Subsidy	T32 2-Light Rail- Field Subsidy
T13 3-Subway- Direct Subsidy	T33 3-Subway- Field Subsidy
T14 4-Train- Direct Subsidy	T34 4-Train- Field Subsidy
T15 5-Ferry- Direct Subsidy	T35 5-Ferry- Field Subsidy
T16 6-Auth Vanpool- Direct Subsidy	T36 6-Auth Vanpool- Field Subsidy
T17 7-Other- Direct Subsidy	T37 7-Other- Field Subsidy
T18 8-Self Cert- Direct Subsidy	T38 8-Self Cert- Field Subsidy
PI Action	

Deduction codes are used for tracking purposes only

B. Detailed Process Steps - Enter Transit Benefits

1. Navigate to the Create General Deductions page. Main Menu > Payroll for North America> Employee Pay Data USF > Deductions> Create General Deductions.
2. Enter the applicable information into the search field(s).
3. Click the Search button.
4. If necessary, click the Add a New Row button in the General Deduction scroll area.

If this is the first deduction to be entered for the employee, the Add a New Row button will not be available.

5. Enter the Deduction Code.

C. Quick Steps - Enter Transit Benefits

1. Navigate to the Create General Deductions page. Main Menu > Payroll for North America> Employee Pay Data USF > Deductions> Create General Deductions.
2. Enter the applicable information into the search field(s).
3. Click the Search button.
4. If necessary, click the Add a New Row button in the General Deduction scroll area.
5. Enter the Deduction Code.
6. Enter the Effective Date.
7. Select Flat Amount from the Calculation Routine drop down.
8. Enter the rate in the Flat/Additional Amount field.
9. Select Tracking Purpose Only from the PI Action drop down.
10. Click the Save button.

D. Detailed Process Steps - Terminate Transit Benefits

1. Navigate to the Create General Deductions page. Main Menu > Payroll for North America> Employee Pay Data USF > Deductions> Create General Deductions.
2. Enter the applicable information into the search field(s).
3. Click the Search button.
4. Locate the Transit Benefits row in the General Deduction scroll area.
5. Click the Add a New Row button in the Deductions Details scroll area.
6. Click the Save button.

E. Quick Steps - Terminate Transit Benefits

1. Navigate to the Create General Deductions page. Main Menu > Payroll for North America> Employee Pay Data USF > Deductions> Create General Deductions.

2. Enter the applicable information into the search field(s).
3. Click the Search button.
4. Locate the Transit Benefits row in the General Deduction scroll area.
5. Click the Add a New Row button in the Deductions Details scroll area.
6. Enter the Effective Date.
7. Enter the Deduction End Date.
8. Select Tracking Purpose Only from the PI Action drop down.
9. Click the Save button.

F. Detailed Process Steps - Update Transit Benefits

1. Navigate to the Create General Deductions page. Main Menu > Payroll for North America> Employee Pay Data USF > Deductions> Create General Deductions.
2. Enter the applicable information into the search field(s).
3. Click the Search button.
4. Locate the Transit Benefits row in the General Deduction scroll area.
5. Click the Add a New Row button in the Deductions Details scroll area.
6. Click the Save button.

G. Quick Steps - Update Transit Benefits

1. Navigate to the Create General Deductions page. Main Menu > Payroll for North America> Employee Pay Data USF > Deductions> Create General Deductions
2. Enter the applicable information into the search field(s).
3. Click the Search button.
4. Locate the Transit Benefits row in the General Deduction scroll area.
5. Click the Add a New Row button in the Deductions Details scroll area
6. Enter the Effective Date.

7. Enter the rate in the Flat/Additional Amount field.
8. Select Tracking Purpose Only from the PI Action drop down.
9. Click the Save button.

Appendix D: Accounting Procedures

A. VHA Staff Offices:

1. VHA will use standardized obligation numbers to allow for obligating and billing at the VHA station level. VHA organizations will create a separate obligation for each VHA organizational code for the transit benefit costs for its employees. Refer to the VA intranet website, <http://vaww.franchisefund.med.va.gov/Obligations.asp>, for the current standardized obligation numbers.
2. The obligation will be adjusted quarterly, as needed. If the VHA field transit manager performs this task, the manager will coordinate with the VHA chief of financial activity or designee to ensure that TBP funds are properly budgeted.
3. TBP office will segregate the total TBP costs by each VHA facility by the organizational code, station number, and Budget Object Code (BOC) based on information supplied by HHS in an electronic file. This file is the primary source of information for VA to take the proper action on HHS billings.
4. TBP office will forward VHA's portion of the electronic file to VHA Office of Finance field transit manager to identify the transit benefit costs by VHA facility.
 - a. VHA Office of Finance will distribute to each VHA chief of financial activity or designee the facility's portion of the statement obtained from TBP office.
 - b. VHA facility will verify that the employees participating in the TBP were employed by that facility at the time the fare media was distributed, or period of transit reimbursement and the amount is correct based on the signed VA Form 0722.
5. VHA Office of Finance will then forward the breakout by station number to the Intragovernmental Accounting Section (047E4) to process the IPAC transaction and records the expenses against each station's standardized obligation.

B. VBA, NCA and Staff Offices:

1. Budget Officers will create one obligation for the entire organizational code amount.
2. The obligation will be adjusted quarterly, as needed. If the organizational transit manager performs this task, the manager will coordinate with the proper budget officer to ensure TBP funds are properly budgeted.

3. TBP office is billed monthly by HHS through the IPAC system for its total TBP costs.
 - a. TBP office will forward the portion of TBP costs for each organizational code to 047E4 to process the monthly IPAC transaction and records the expenses against the proper organizational code obligation.
 - b. Budget officers will use their facility's portion of the statement from TBP office to verify that the employees participating in the TBP were employed by that facility at the time the fare media was distributed, or period of transit reimbursement and the amount is correct based on the signed VA Form 0722.
 - c. Further distribution of the costs by the budget officer will be completed independently of the TBP office distribution process.

C. Budget Object Code:

1. For Transit Benefit outside the NCR, VA FSC use FMS BOC 1285 or iFAMS BOC 121403, depending on what system is being used.
2. For Transit Benefit within the NCR area, VA FSC use FMS BOC 2580, Non-Medical Contracts and Agreements with Institutions and Organizations or iFAMS BOC 252103, Non-Medical - Institutions & Organizations, depending on what system is being used.